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SUBJECT: REQUEST FOR MEETING TO REVIEW THE GAMEPLAN (S)

REF: KIM/BOYER EMAIL OF OCTOBER 8 2008

Classified By: ISN/MTR Office Director Pam Durham.
Reasons: 1.4 (b) and (d).

11. (U) This is an action request. See para 5.

12. (S) Background/Purpose/Objective: In August 2005, Taiwan agreed to a Gameplan on near- and long-term steps to improve its export controls and to address the most pressing aspects of the proliferation problem -- exports to the most threatening weapons programs, those in Iran and North Korea. The Gameplan's near-term steps require Taiwan approval for all exports, transits, and transshipments of relevant items to (initially) Iran and North Korea and to deny approval for all such activities that pose a weapons of mass destruction (WMD), missile, or conventional arms proliferation risk. Moreover, Taiwan has agreed to consult the U.S. prior to approving each such activity.

13. (S) Since August 2005, the implementation of the Gameplan has gone well and Taiwan's overall nonproliferation record has improved. However, deficiencies remain in Taiwan's legal and regulatory framework and enforcement of its export controls. Despite the positive forward progress of the Gameplan, we continue to see reports on activity of potential concern. We actively seek to raise these cases with Taiwan authorities when we are able to obtain cleared language from the Intelligence Community. We need to continue to engage Taiwan authorities to emphasize the importance of fully implementing the Gameplan commitments and taking additional measures as needed to guard against Taiwan companies supporting programs of proliferation concern.

14. (S//REL Taiwan) As the U.S. and Taiwan have not held a meeting on the Gameplan since September 2007, the U.S. would like to accept Taiwan's invitation to have the next round of Talks in Taipei in December 2008 (REF A). The U.S. understands the Taiwan authorities' request to have more than one day of talks, and proposes one and one half days of talks, beginning on December 4, 2008. The purpose of these talks will be to review the implementation of the Gameplan, and to have a dialogue with the Taiwan authorities about ways to strengthen implementation of the Gameplan and ways for Taiwan authorities to continue to strengthen and improve export control implementation. NOTE: We would expect the talks to end at midday on December 5, but would be open to using the afternoon of December 5 to see some aspect of Taiwan's export control efforts, i.e., a port visit. END NOTE.

15. (S) Action Request: Drawing on paragraph 4 above and from the talking points in paragraph 6 below, request AIT approach appropriate Taiwan authorities to confirm agreement to hold one and one half days of talks on December 4-5, 2008 to discuss Gameplan implementation. Also request AIT hand-over the notional agenda in paragraph 7 and request feedback/concurrence by November 3. Post should report any response via front-channel cable slugged for ISN/MTR (Samantha Boyer) and EAP/TC.

16. (S) Begin talking points:

(S//REL Taiwan)

--Since August 2005, the implementation of the Gameplan has gone well and Taiwan's overall nonproliferation record has improved.

--We believe that our meeting on Gameplan implementation in September 2007 was beneficial and are looking forward to similarly valuable talks in December in Taipei.

--We propose meeting for one and one half days, beginning December 4, but we would be open to a port visit on the afternoon of December 5.

--The goal of these meetings will be to review the implementation of the Gameplan and to seek to understand what steps Taiwan has taken to further strengthen its implementation and internal export reviews.

--We have prepared a notional agenda for our discussions on the Gameplan and would welcome your feedback by November 3.

--We look forward to detailed and productive discussions and to continuing to work together in support of our shared goal of helping Taiwan prevent its firms from transferring WMD and missile useful items to programs of proliferation concern.

17. (C) Notional Agenda for Experts Meeting with Taiwan

(C//REL Taiwan)

1. Introductions/Scene-setting (U.S. and Taiwan)

2. Review Status of Gameplan Implementation

a. License Review Process

i. Taiwan Presentation on its current export control and review process for these licenses (TW)
We would expect Taiwan to describe what has been updated or changed since our last meeting; challenges Taiwan sees; what Taiwan would like U.S. assistance with, etc. (TW)
We also would anticipate discussion of a forthcoming U.S. license review process paper (U.S. and TW)

ii. U.S. comments on Gameplan implementation (U.S.)
We would like to discuss whether BOFT reviews licenses before sending them to the U.S. and what is entailed in that review. We also would like to understand whether BOFT checks previous licensing history of end-users and exporters, and any previous U.S. concerns. Additionally, we would like to discuss whether BOFT could start adding -- in addition to whether a case is a "repeat" or not -- what BOFT's opinion of the case is (i.e., would BOFT issue or return the case?)(U.S. and TW)

b. SCL item review (TW)

c. Transit/Transshipment Controls (U.S. and TW)

i. Review of Transit/Transshipment controls
It would be useful to discuss how BOFT vets export licenses to China and the UAE, including how end-users that are freight forwarders and distributors are vetted. (TW)

d. Presentations (U.S.)

i. Transshipment trends in the region (U.S.)

ii. Brokering (U.S.)

iii. Machine tools (U.S.)

- iv. Targeting/Risk Management (U.S.)
- e. Intangible Technology Controls (ITT)
 - i. Status of legislation (TW)
 - ii. Other means to adopt intangible technology controls (TW)
 - iii. U.S. Intangible Technology Controls (US)

13. Export Control Training/Assistance (TW and U.S.)

a. Discussion of what training BOFT has received in the past year, and what training Taiwan thinks would be useful (TW)

b. EXBS summary report (U.S.)

14. Strengthened efforts to investigate and impose penalties on Taiwan entities that violate its export control policy

a. Review of open cases (U.S., TW)

b. Updates on Investigations (TW)

i. Steps Taiwan is taking to strengthen export control enforcement (TW)

ii. Importance of receiving more complete responses (U.S. and TW)

c. Updates on Cases identified by Taiwan (TW)

15. Nonproliferation Visa Review (U.S.)

16. Closing statements/wrap up (U.S., TW)

End Notional Agenda

17. (U) Please contact ISN/MTR's Samantha Boyer with any questions or follow-up at 202-736-7176 or boyersa@state.gov, and slug reporting on this issue for ISN/MTR and EAP/TC.

18. (U) A word version of this document will be posted at www.state.sgov.gov/demarche.

RICE

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End Cable Text